

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6422

BILL NUMBER: SB 181

NOTE PREPARED: Apr 7, 2005

BILL AMENDED: Apr 7, 2005

SUBJECT: Environmental Assessment Before Demolition.

FIRST AUTHOR: Sen. Lanane

FIRST SPONSOR: Rep. Wolkins

BILL STATUS: 2nd Reading - 2nd House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) If the municipal executive (or the county executive for unincorporated area) imposes the requirement, the bill requires the owner of a Class 1 structure (other than a publicly owned structure or a multifamily residential building) to have an environmental assessment of the structure and the land within 50 feet of the structure done before demolition and to report the results to the municipality or county in which the structure is located.

Effective Date: July 1, 2005.

Explanation of State Expenditures: This bill allows rules to be adopted to establish a standard similar to the Standard Practice for Environmental Site Assessments: Phase 1 Environmental Site Assessment Process. According to the Department of Environmental Management (IDEM), any costs related to the rule adoption process should be covered by the Department's existing resources.

Background: Currently, an inspection for asbestos must be conducted and IDEM notified before a building, other than a residence, may be demolished or renovated. This bill does not require local entities receiving environmental assessment reports to notify IDEM of assessment results.

Explanation of State Revenues:

Explanation of Local Expenditures: If this law is adopted by a municipality or county, such a unit would likely experience an increase in administrative costs due to filing environmental assessment reports. This bill does not specifically provide for a municipality or county who receives such assessment reports to charge a

filing fee to offset such costs.

Explanation of Local Revenues:

State Agencies Affected: IDEM.

Local Agencies Affected: Municipalities and counties.

Information Sources: Wendy Hoffspiegel, IDEM.

Fiscal Analyst: Valerie Ruda, 317-232-9867.